

4972-K

42A740-S21

Commonwealth of Kentucky
REVENUE CABINET

Kentucky
Tax on Lump-Sum Distributions

(Use this form only for lump-sum distributions from qualified retirement plans.)

1997

Attach to Form 740, Form 740-NP or Form 741. See federal instructions.

Enter name of recipient of distribution.

Social Security or federal identification number

PART I - Complete this part to see if you qualify to use Form 4972-K.

Table with 3 columns: Question, Yes, No. Contains 9 questions regarding distribution qualifications.

PART II - Complete this part only if you chose the 20% federal capital gain election.

Table with 3 columns: Question, Yes, No. Contains 3 questions (a, b, c) regarding capital gain election.

If you chose the five-year averaging method for federal purposes, complete Parts III and IV.

If you chose the 10-year averaging method for federal purposes, complete Parts III and V.

PART III

Table with 3 columns: Question, Yes, No. Contains 11-27 questions regarding taxable amount calculations.

PART IV—Five-Year Averaging Option

28. Multiply line 24 by 20% (.20)	28		
29. Tax on amount on line 28. Use Tax Rate Schedule below	29		
30. Multiply line 29 by 5. If no entry on line 16, skip lines 31 through 33, and enter this amount on line 34	30		
31. Multiply line 27 by 20% (.20)	31		
32. Tax on amount on line 31. Use Tax Rate Schedule below	32		
33. Multiply line 32 by 5	33		
34. Tax on lump-sum distribution. Subtract line 33 from line 30. Enter here and on Schedule TC, line 3(b), Form 740-NP, line 10 or Form 741, line 29(b) (multiple recipients, see federal instructions)	34		

PART V—10-Year Averaging Option

35. Multiply line 24 by 10% (.10)	35		
36. Tax on amount on line 35. Use Tax Rate Schedule below	36		
37. Multiply line 36 by 10. If no entry on line 16, skip lines 38 through 40, and enter this amount on line 41	37		
38. Multiply line 27 by 10% (.10)	38		
39. Tax on amount on line 38. Use Tax Rate Schedule below	39		
40. Multiply line 39 by 10	40		
41. Tax on lump-sum distribution. Subtract line 40 from line 37. Enter here and on Schedule TC, line 3(b), Form 740-NP, line 10 or Form 741, line 29(b) (multiple recipients, see federal instructions)	41		

TAX RATE SCHEDULE

If taxable amount is:

Tax is:

\$3,000 or less	2% of taxable amount
over \$3,000 but not over \$4,000	\$60 plus 3% of amount over \$3,000
over \$4,000 but not over \$5,000	\$90 plus 4% of amount over \$4,000
over \$5,000 but not over \$8,000	\$130 plus 5% of amount over \$5,000
over \$8,000	\$280 plus 6% of amount over \$8,000